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Introduction

Non-Performing Assets

NPA (Non-Performing Assets) is defined as an advance where payment of interest or repayment of principal amount or both remains unpaid for a period of more than 90 days. Till an asset generates the income expected from it, it will be treated as performing assets but as soon as it fails to generate the expected income, it becomes into the category of Non-Performing Assets. This is the moment when it starts to create problem for banking industry. NPA have been affecting the Indian financial sector badly from long time. NPA's are prime indicators of credit risks. Narasimham committee was set up by RBI to study the problems faced by Indian banking sector and take appropriate measures to solve them. This committee brought up the identification of NPAs in banking sector which has been eroding the profitability of Banks but proper measures have not been taken in respect of this. With passing time Banks implemented many provisions and curative measures to eliminate NPA which helped them to overcome few problems regarding NPA but soon they found out that NPAs cannot be eliminated completely, they can just be reduced with proper implementation and management of funds.

Co-operative Banks

Co-operative Banks play an important role in meeting the credit requirements of both the urban and rural India. Though in the Bank dominated financial system, these institutions account for a small share in the total credit they hold a significant position in credit delivery as they cater to different geographic locations and demographic categories. Demographically, the Co-operatives Banks enabled access to financial services to low and middle-income group in both rural and urban areas.

The Co-operative Credit Societies were, in the past and even now, the most important source of credit to the farmers. Since 1969, Commercial Banks are also financing agriculture because of `social control'. The co-operative banks are small-sized units which operate both in urban and non-urban centers. They finance small borrowers in industrial and trade sectors besides professional and salary classes.

The role of Co-operative Banks has been commendable in enhancing the inclusiveness of the financial system. However the financial performance of these institutions particularly Rural Co-operatives has been sub-par partly owing to operational and governance-related issues. A number of committees have examined the reasons for their poor financial performance and have suggested remedial measures from time to time. Initiatives for revitalizing Co-operative have been ongoing.

The Co-operative Banking structure in India is divided into following five components:

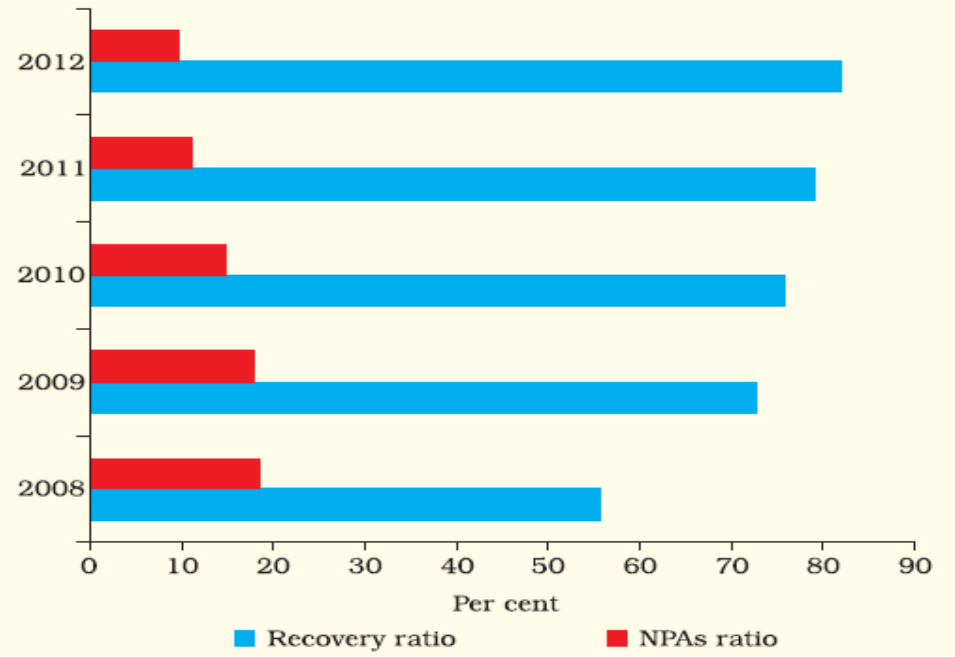
- **Primary Co-operative Credit Society** The Primary Co-operative Credit Society is an association of borrowers and non-borrowers residing in a particular locality.
- **Central Co-operative Banks** These are the federations of Primary Credit Societies in a district and are of two types those having a membership of Primary Societies only and those having a membership of societies as well as individuals.
- **State Co-operative Banks** The State Co-operative Bank is a federation of Central Co-operative Bank and acts as a watchdog of the Co-operative Banking structure in the State.
- **Land Development Banks** The Land Development Banks are organized in 3 tiers namely; State, Central, and Primary level and they meet the long term credit requirements of the farmers for developmental purposes.

- **Urban Co-operative Banks** The term Urban Co-operative Banks (UCBs), though not formally defined, refers to Primary Co-operative Banks located in urban and semi-urban areas. These banks, till 1996, were allowed to lend money only for non-agricultural purposes.

Problem Being Reviewed

Over the years, there was an improvement in the financial health of DCCBs at the aggregate level. The recovery ratio of DCCBs showed a moderate increase, while the NPA ratio showed a decline.

Indicators of Financial Health of DCCBs

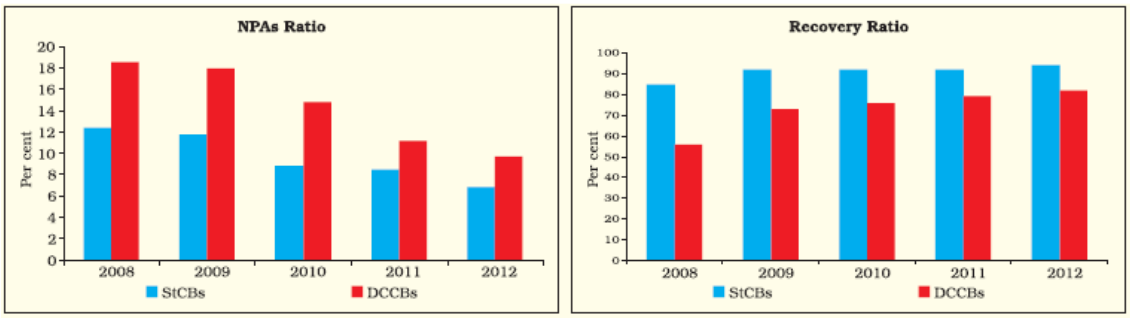


Source: RBI Report on Trend and Progress of Banking in India (2012-13)

The NPA ratio of both STCBs and DCCBs showed consistent recovery ratios across the country reflecting strengthened prudential norms and regulations by RBI & Basel committee.

Notwithstanding the decline in the NPA ratio indicates that the financial soundness of DCCBs is much weaker than that of StCBs. The major indicator of health of Co-operative viz NPA ratio continued to be higher for DCCBs than it was for StCBs. Further the recovery ratio of DCCBs remained much lower than that of StCBs.

Comparison of Financial Soundness of StCBs and DCCBs



Source: RBI Report on Trend and Progress of Banking in India (2012-13)

Thus the focus should be made on improving the recovery ratio of DCCBs which is lower than that of STCBs.

Review of Literature

Study Reference I	Study Description	Country	Data Source	Findings	Observation
Kumar S. & Kumar J.V. (2014) "Performance of Non-Performing Assets in Commercial Banks – An Analytical Study." *International Journal of Scientific Research;* Volume 3, Issue 4, ISSN No. 2277-8179, PP. 1-3	Paper states that The public sector banks are required to lend money to weaker sections of the society also, where the chances of recovery is almost negligible. That is why, though the NPAs of public sector banks have sharp declining trend.	India	Secondary Data Based Mean, ratio analysis applied	NPA is a live danger to the Indian commercial banks. It destroys the healthy financial environment. It is better to avoid NPAs at the initial stage of Credit Consideration by placing of appropriate credit appraisal mechanism	The paper Discuss about the decline of NPA in public sector banks but fails to highlight that how it overcomes the issue of lending money to weaker sector and overcome the NPAs comparing to private sector banks.

Study Reference II	Study Description	Country	Data Source	Findings	Observation
Suljhan, Sharma J & Arora J. (2014), "NPA: - A Comparative Study of Public Sector and Private Sector Commercial Bank." *Indian Streams Research Journal;* Volume 4, Issue 3, ISSN: 2230-7850, PP.1-6	This article focuses on the reasons behind NPAs. NPA has grown like a cancer, which infects every limb of the banking system at macro level. Some reasons like, ineffective recovery, natural calamities, unfavorable business cycle, poor quality management, default of a loan intentionally; leads to increase in NPA of banks.	India	Ratio analysis and coefficient of correlation applied.	Bankers should opine that NPA is unavoidable in banking because of the basic nature of the business of banking. However, appropriate remedial measures as discussed in this article if followed shall restrain the accounts turning NPA signaling the soundness of banking.	The article Discuss about the decline in Investment which cause economical problem but failed to state the measure for good performing asset. Policies of lender qualification cannot work for the private sector banks.

Study Reference III	Study Description	Country	Data Source	Findings	Observation
Narula S. & Singla M. (2014), "Empirical Study on Non-Performing Assets of Bank." *International Journal of Advance Research in Computer Science and Management Studies;* Volume 2, Issue 1, ISSN: 2321-7782, PP. 194-199	The main motive of this article is to assess the Non-Performing Assets of Punjab National Bank and its impact on profitability & to see the relation between total advances, Net profits, Gross & Net NPA. It uses the annual reports of PNB for a period of six years.	India	Secondary data based, ratio analysis used as tool.	Because of mismanagement in bank there is a positive relation between total advances, Net profits and NPA of bank which is not good. This positive relationship between is due to wrong choice of client by bank.	This study gives conclusion on the bases of data collected through Annual reports of past 6 years. They could have done the further comparison of NPA of various banks.

Study Reference IV	Study Description	Country	Data Source	Findings	Observation
Srinivas K.T. (2013), "A Study on Composition of NPAs of Public Sector Banks in India." *International Journal of Engineering and Management Research;* Volume 3, Issue 6, ISSN: 2250-0758, PP.116-121.	It is found that priority sector share is more in growth of NPAs of Nationalized banks in India as compared to non-priority sector and public sector share. At present for all public sector banks and for the RBI these NPAs become trouble assets.	India	Secondary Data Based Trend ratio analysis applied	NPAs reduction is a key in the banking industry. It is prudent for the banks to manage their assets in a manner that they always generate income, and meet obligations on due dates.	The article focuses on taking corrective measure to decrease NPAs but do not show a way by which bank can overcome the obligation of due dates and generate income which is crucial for banking sector in managing assets .

Study Reference V	Study Description	Country	Data Source	Findings	Observation
Srinivas KT (2013), "A Study on Non-Performing Assets of Commercial Banks in India." *International Monthly Referred Journal of Research in Management & Technology;* Volume II, ISSN: 2320-0073, PP. 61-69	This paper reports the reasons for advances becoming NPA in the Indian Commercial banks. Loans form a large portion of the total assets in banks, which generate huge interest income determining the financial performance of banks.	India	Secondary data secondary RBI bulletins, research papers, ratio analysis used	Banks can avoid giving loans to the non credit worthy customers by adopting certain measures. As a result of steep fall in the profits because of high provisioning of NPAs it is now linked with technology.	The paper says banks should more focus on the profile of the lenders and controls the non credit customers but on practical aspect it is tough for bank to maintain a analytical data record of every new borrowers and its investment productivity.

Study Reference VI	Study Description	Country	Data Source	Findings	Observation
Ganesan D. & Santhanakrishnan R. (2013)," Non-Performing Assets: A Study of State Bank of India." *Asia Pacific Journal of Research;* Volume 1, Issue X, ISSN: 2320-5504, PP. 81-88	The magnitude of NPA is comparatively higher in public sector banks than private sector banks. NPA are threatening the stability and demolishing banks profitability. The objective of the study is to suggest measures to manage to manage NPAs in SBI effectively.	India	Measured with the help of pre structured questionnaire, and Secondary Data collected from; SBI Annual Reports and RBI Bulletins, ratio analysis and trend percentages used.	The NPA ratios in India have risen sharply year-by-year. A high proportion of Non-performing Assets steadily erodes the capital base of a bank, impinging on the ability of bank to raise fresh capital and continue lending for investment activities.	The paper talks about The rise in NPAs is due to mismanaged lending practices of banks but the sole problem lies in the legal policies and law of country that makes recovery extremely difficult.

Study Reference VII	Study Description	Country	Data Source	Findings	Observation
Singh A. (2013), "Performance of Non-Performing Assets (NPAs) in Indian Commercial Banks" *International Journals of Marketing, financial Services & Management Research;* ISSN: 2277-3622, Volume 2, no.9, PP. 86-94	This article majorly focuses that the NPA not only affects the current profit but also the future profit, which lead to loss of long-term beneficial opportunity.	India	RBI Annual Financial Report, ratio analysis: trend percentage used.	The magnitude of NPA is comparatively higher in public sector banks than private sector banks, the reason is that private sector banks have a secured loan policy as compare to public sector banks	The paper talks about making NPA effect zero which is not possible. It do not highlights the loan policies of public sector bank while dealing with NPA reducing measures.

Study Reference VIII	Study Description	Country	Data Source	Findings	Observation
Sontakke N.R. &Tiwari C. (2013) "Trend Analysis of Non-Performing Asset in Scheduled Commercial Banks in India." *International Journal of Application or Innovation in Engineering & Management ;* ISSN: 2319-4847	The paper underlines the in-depth study of the conceptual framework of non-performing assets commonly known as NPA. In terms of borrowers, if India is to stem the rise of NPA, it is not sufficient simply to pursue stubborn borrowers, Officials needs to take proper measures.	India	The study based on Secondary Data through; RBI Report on Trend and Progress of Banking in India, trend percentage, ratio analysis used as a tool.	If NPAs are not properly managed, it can cause financial and economic degradation that in turn tampers the investment climate which is crucial source looking to the present state of our economy. A Mounting level of NPA in the banking sector can seriously affect the economy in many ways.	The article analysis that A Mounting level of NPA in the banking sector can seriously affect the economy in many ways and this paper suggest many method but they are not applicable for the midsized and public sector banks of the country.

Study Reference IX	Study Description	Country	Data Source	Findings	Observation
Shalini H.S. (2013). "A Study on Causes and Remedies for Non Performing Assets in Indian Public Sector Banks with Special Reference to Agricultural Development Branch, State Bank of Mysore." *International Journal of Business and Management Invention*; Volume 2, Issue 1, ISSN: 2319-8028,PP.26-38	Explaining the credit management which includes planning, organizing, controlling, directing and co-coordinating the credit sanctioning policies in order to decrease the non performing assets.	India	Monitoring and Communication (telephonic interview) Method, chi- Square test applied	Measure can be taken to avoid loans to noncredit worthy borrowers which include a careful check on the economic viability of the project which also gives an vision of ROI which should be higher than the credit amount sanctioned	It mostly focus on the borrowers profile which might not be easy to track every time , moreover a new borrowers is very hard to predict on.

Study Reference X	Study Description	Country	Data Source	Findings	Observation
Mohanani P. & Deshmukh M. (2013), "A Study of Non-Performing Asset on Selected Public and Private Sector Banks." *International Journal of Science and Research,* Volume 2, Issue 4, ISSN: 2319-7064, PP. 278-281	An attempt has been made through this paper to evaluate the operational performance of the selected PSBs & private banks in India and also analyze how efficiently public and private sector banks can manage NPAs.	India	Annual report of RBI, measures of central tendency, mean, standard deviation, coefficient of variation, frequency distribution, and ratio analysis used as tool.	Unfortunately the high level of NPAs of banks is adversely affecting the profitability, liquidity and solvency position of the banking sector. Therefore the NPA should be brought down to internationally accepted level.	The article talks about making NPA effect zero which is not possible. It do not highlights the loan policies and also level of return on its assets of public sector bank while dealing with NPA reducing measure.

Study Reference XI	Study Description	Country	Data Source	Findings	Observation
Chatterjee C, Mukherjee J, Das R. (2012) "Management of Non-Performing Assets – A Current Scenario." *International Journal of Social Science & Interdisciplinary Research;* Volume 1, ISSN: 2277-3630, PP. 204-214	The issue of mounting Non Performing Assets is giving jitters to banking sector particularly in many developing economy.	India	Secondary Sources, RBI Reports and Bulletins, ratio analysis used.	The NPAs have a negative influence on the Banking system credibility, achievement of capital adequacy level and economy. Gross NPA reflects the quality of the loans made by banks where as net NPA shows the actual burden of banks.	The paper lack in explaining the major role of RBI, ministry of finance in controlling the mounting NPAs and also they are in trouble with excessive governmental equity.

Study Reference XII	Study Description	Country	Data Source	Findings	Observation
Sudesh & Kaur B. (2012)," A Comparative Study of Non-performing Assets in Indian Commercial Banks." *Indian Streams Research Journal*; Volume 2, Issue 9, ISSN: 2230-7850, PP. 1-5	Performance in terms of profitability is a benchmark for banking industry which is being affected by the growing level of NPAs. Therefore accounting norms have been modified substantially and mechanisms are in place for reduction of bad loans.	India	Secondary Data Based; From Annual Publications of RBI, ratio analysis is used as tool for data analysis.	There has been continuous decrease in the time period to declare a loan as non-performing. Not only do poor lending practices need to be checked, the government needs to step up its game in implementing laws to speed up the process of NPA resolution.	Government and the legal polices failed to keep a check on the NPA mounting issues. Article suggests the bold point but lacks in clarifying the satisfactory solution to the problem discussed.

Study Reference XIII	Study Description	Country	Data Source	Findings	Observation
Rajput N., Gupta M. & Chauhan A.K. (2012), "Profitability and Credit Culture of NPAs: An Empirical Analysis of PSBs." *International Journal of Marketing, Financial services and Management Research;* Volume 1, Issue 9, ISSN: 2277-3622, PP. 91-109	This paper provides a pragmatic method to evaluate effective indicator with a focus of non-performing assets of commercial banks.	India	Secondary data based (RBI Publications), Correlation, and OLS Regression Model are applied, correlation, ratio analysis used.	It gives an understanding that bank's profitability can be increased only if NPA is decreased.	In this article Lack of proper management is not stated which plays a key role in full of risk environment where removing NPA is impossible.

Study Reference XIV	Study Description	Country	Data Source	Findings	Observation
Pradhan K.T. (2012), "Management of NPA in the Commercial Banks in Odisha: An Empirical Analysis." *International Journal of Scientific and Research Publications,* Volume 2, Issue 9, ISSN: 2250-3153, PP. 1-5	The paper focuses on the crucial role of Bank economists in transforming the banking system in India.	India	Structural questionnaire, responses obtained from the 50 bank managers/ senior officers.	Major hurdle in efficient functioning of banks has been the legal system.	The article displays the ineptitude of Indian legal scheme whereas it does not spot the relation of loaning to the utility of investment. Do not highlight the main cause of diversion of fund.

Study Reference XV	Study Description	Country	Data Source	Findings	Observation
Kumar M. & Singh G. (2012), "Mounting NPAs in Indian Commercial Banks." *International Journal of Transformation in Business Management*; Volume No.1, Issue No. 6, ISSN: 2231-6868	One of the causes of higher NPAs is the target-oriented approach among banks, which erodes the qualitative aspect of lending. Higher NPA ratio shakes the confidence of investors, depositors, lenders,	India	Secondary Data Based (Economics intelligence service centre for monitoring Indian Economy money and banking 2000-11.) , trend ratio analysis is used as a tool.	Legal system in India is ineffective. Hence it is evident from this research that the problem of NPAs in India has not yet reached at the critical stage that has reached in most countries.	The paper shows the ineffectiveness of Indian legal system whereas it does not mark the relation of lending to the productiveness of investment.

Study Reference XVI	Study Description	Country	Data Source	Findings	Observation
Khanna P. (2012), "Managing Non Performing Assets in Commercial Banks." *Gian-Jyoti E-Journal*; Volume 1, Issue 3, ISSN: 2250-348X, PP. 153-163	Prudential and provisioning norms taken by the regulatory bodies has pressurized banks to improve their performance, and consequently resulted into trim down of NPA as well as improvement in the financial health of the Indian banking system.	India	Secondary Data Based RBI Bulletin, Highlights of Bank Performance-IBA Publications, Mumbai (Various Issues), Annual reports. Ratio analysis used.	It remains true that the NPA in the priority sector is still higher than that of non-priority sector. However, efforts have been made to rectify the growing level of NPA through the judicial process as well as the enacting laws.	NPA in priority sector are still higher than the non priority sector. It lack behind in suggesting the measure which will act against troubled industries.

Study Reference XVII	Study Description	Country	Data Source	Findings	Observation
Dimitrios P.L., Angelos T.V. & Vasilios L.M. (2012), "Macroeconomics and Bank-Specific Determinants of Non-Performing Loans in Greece- A Comparative Study of Mortgage, Business and Consumer Loan Portfolios." *Journal of Banking & Finance;* Volume 36, Issue 4, PP. 1012-1027	This paper practices a method of panel data to scrutinize causes of non-performing loans in Greek banking sector separately for each loan category. It is inspired by the hypothesis that loan quality can be affected by both macroeconomic and bank variable, which can be shown, between different loan categories.	Greece	The data set is a balanced panel consisting of supervisory data for the nine largest Greek banks, Coefficient of correlation is used here to analyze the data.	Paper highlights that GDP growth rate; the unemployment rate, the lending rates and public debt have a strong effect on the level of NPLs.	The paper talks about the managerial problems but gives a bit less focus on the risk management system which could be key part in avoiding financial instability.

Study Reference XVIII	Study Description	Country	Data Source	Findings	Observation
Rawlin R., Sharma M.S., & Lakshmipathy B.P. (2012) "Modeling the NPA of a Midsized Indian Nationalized Banks as a function of Advances." *European Journal of Business and Management*; ISSN: 2222-2839(online), Volume 4, no.5, PP. 78-89	This paper research gives a direct view that Non-performing assets (NPA) occur in loans given by a bank or a financial institution where in the borrower defaults or delays interest and or principal payment.	India	Historical data Based, ANOVA analysis and regression coefficients are computed here.	Calculating the NPA can be very useful in overall credit management because NPA is a direct reflection of asset quality. Study also tried to model the non-performing asset in midsized bank of India as a loan advanced function in a bank and using liner and non liner method for statics.	The paper discussed two model theories which give the managerial part a benefit of monitoring the assets quality but linear and non linear method cannot be adopted in the midsized bank.

Study Reference XIX	Study Description	Country	Data Source	Findings	Observation
Balasubramaniam C.S. (2012), "Non-Performing Assets and Profitability of Commercial Banks in India: Assessment and Emerging Issues." *National Monthly Refereed Journal of Research in Commerce and Management.* Volume 1, Issue 7, ISSN: 2277-1166, PP. 41-52	Indian banking system adopting international practices to strengthen its operations in the economy. This paper assumes significance the recent proposal by RBI to introduce Basel III in the banking sector	India	Trend analysis is the tool of data collection.	Indian Banks have overall demonstrated a trend of continued good Performance and profitability despite rising interest rates. maintaining profitability is a challenge to commercial banks especially in a highly competitive era	Article talks about overall profitability but ignored the growing NPA for private banks. It debates near the managerial glitches but offers a bit minus emphasis on the risk management system which could be key part in evading financial instability.

Study Reference XX	Study Description	Country	Data Source	Findings	Observation
Poongavanam S. (2011), "Non Performing Assets: Issues, Causes and Remedial Solution." *Asian Journal of Management Research;* Volume 2; Issue 1, ISSN: 2229-3795, PP.123-132	The primary and foremost function of banks is to lend funds to various sectors but due to the growing NPAs. This paper focus that If NPAs not controlled timely will reduce the earning capacity of assets and badly affect the ROI.	India	Secondary Data Based.	Indian Debt Market is relatively under developed and attention should be focused on building liquidity and volumes. Banks needs to increase the number of installments by minimizing the quantum of installments in order to recover the loans.	The paper clearly shows that Indian debt market is under developed. It is not possible for a non organized body to practise uniform accounting when it account on income recognition.

Book Review

Author's Name	Title	Publishing House	Description
Jain V. (2007)	"Non-Performing Assets in Commercial Banks"	Regal Publications; New Delhi, India	It illuminates the various measures taken by Reserve Bank of India to control NPAs over the last decade, and critically evaluate the success obtained in containing the same. It also provides an International Perspective by highlighting the problem of NPAs in other South East Asian Countries and the measures taken by them to solve the issue.
Bidani S.N. (2002)	"Managing Non-Performing Assets in Banks"	Vision books pvt. Ltd., India	The book highlights the Management of Non-Performing Assets, systematically and in it's entirely, right from the stage of identification of NPA till the recovery of the dues in such accounts. Here is an in-depth treatment for managing NPAs in Banks, RBI guidelines and the strategies for reduction of NPA are explained in this book.

Research Gap

By reviewing the above literature it was found that a lot of studies have been done on NPA Management in Commercial Banks and Public Sector Banks as compared to Co-operative Banks. Over the years, financial health of DCCBs showed some improvements as per the literature review but it was found that the financial soundness indicators of DCCBs remained generally much weaker than that of StCBs, as the NPA ratio continued to be higher for DCCBs than it was for StCBs.

Justification and Relevance of this Study

Many researchers have been undertaken on the management of NPAs of Commercial Banks, but no research has been undertaken to analyze the magnitude of NPAs in Central Co-operative Banks of Rajasthan. However, the fact remains that Co-operative Banks are also as good as Commercial Banks and hold a very important place in our economy. All these facts have motivated the researcher to undertake this research work. This research will be of great help to:

1. **Cooperative Banks**

   The research will carry out a brief discussion of management of NPAs of the District Central Cooperative Banks and will suggest effective measures for improvement. This will help the banks to identify the lack point and weakness and help in improving the financial strength.

2. **Customers**

   This research will suggest measures for improvement in District Central Co-operative Banks of Rajasthan. If the banks will follow these measures effectively then the financial position will become

strong. The same will help in building up the confidence of customers/depositors in Co-operative Banks.

3. **Academicians, Researchers and Students**

   The research will prove informative for academicians, students and reader interested in Co-operative Banking. The same will also help them to understand the problem of NPAs of Central Co-operative banks of Rajasthan and their different dimensions.

Objectives of the Study

Following are the main objectives:

1. To identify and analyze the trends of NPA in District Central Co-operative Banks.
2. To identify the causes of NPA in District Central Co-operative Banks of Rajasthan.
3. To suggest improvement in monitoring and reducing the NPA.
4. To make policy- suggestions for better management of NPA.

Scope of the Study

For the purpose of the proposed study the 29 District Central Co-operative Banks of Rajasthan are taken. The study will cover a period of seven years from 2009-10 to 2015-16 and examines the management of NPAs of the District Central Co-operative Banks.

Hypothesis

Hypothesis is a mere assumption which is required because it is a statement which we can test. The following are the hypothesis of the proposed study:

Ho_1 = There is no significant association between Amount of NPA and Loan Sanctioned.

Ho_2 = There is no significant association between Amount of NPA and Loan Outstanding.

Ho_3 = There is no significant association between Deposits and Loan Sanctioned.

Ho_4 = There is no significant association between rate of Dividend and Net Profit.

Ho_5 = There is no significant association between Loans Sanctioned and Loan Outstanding.

Plan of Work and Methodology

The work plan comprises a set of intertwined and synergistic networking, transnational access and joint research activities. Methodology of the research indicates the tools and techniques used for undertaking the research study. For the purpose of evaluating the NPAs of District Central Co-operative Banks of Rajasthan techniques of statistics and financial analysis will be used.

Research Design

The research design is the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data. This research in an **Exploratory and Descriptive research** study as it will explain or elaborate the concept of management of NPAs in District Central Co-operative Banks of Rajasthan. The research design for this study is stated as under:

Universe

The universe of the study is Co-operative Banking Sector in India.

Sample

It consists of the following 29 District Central Cooperative Banks in Rajasthan.

1. Ajmer Central Co-operative Bank Ltd.
2. Alwar Central Co-operative Bank Ltd.
3. Banswara Central Co-operative Bank Ltd.
4. Baran Central Co-operative Bank Ltd.
5. Barmer Central Co-operative Bank Ltd.
6. Bharatpur Central Co-operative Bank Ltd.
7. Bhilwara Central Co-operative Bank Ltd.
8. Bikaner Central Co-operative Bank Ltd.
9. Bundi Central Co-operative Bank Ltd.
10. Chittorgarh Central Co-operative Bank Ltd.
11. Churu Central Co-operative Bank Ltd.
12. Dausa Central Co-operative Bank Ltd.
13. Dungarpur Central Co-operative Bank Ltd.
14. Hanumangarh Central Co-operative Bank Ltd.
15. Jaipur Central Co-operative Bank Ltd.
16. Jaisalmer Central Co-operative Bank Ltd.
17. Jalore Central Co-operative Bank Ltd.
18. Jhalawar Central Co-operative Bank Ltd.
19. Jhunjhunu Central Co-operative Bank Ltd.
20. Jodhpur Central Co-operative Bank Ltd.
21. Kota Central Co-operative Bank Ltd.
22. Nagpur Central Co-operative Bank Ltd.
23. Pali Central Co-operative Bank Ltd.

24. Sawai Madhopur Central Co-operative Bank Ltd.
25. Sikar Central Co-operative Bank Ltd.
26. Sirohi Central Co-operative Bank Ltd.
27. S.Ganganagar Central Co-operative Bank Ltd.
28. Tonk Central Co-operative Bank Ltd.
29. Udaipur Central Co-operative Bank Ltd.

Sampling Method

In this study **Purposive Sampling** will be used. In Purposive Sampling units from a pre-specified group are purposively sought out are sampled. The main goal of Purposive Sampling is to focus on particular Characteristics of a population that are of interest, which will best enable us to answer the research questions.

Collection of Data

Primary Data: In the proposed study primary data will be collected through questionnaires. Questionnaire will be framed for the Borrowers, Managers and the Employees of bank.

Secondary Data: The proposed study will be mainly supported by secondary data which will be collected from the annual reports of RBI, Rajasthan state cooperative bank, newspapers, journals, magazines, internet etc.

Tools for Data Analysis

Both statistical and financial tools will be applied in order to support the hypothesis and derive suitable conclusions. The analysis will be supported by various tables and charts. The following tools will be used:

1. Ratio Analysis
2. Correlation Analysis
3. Regression Analysis
4. Measures of Dispersion
5. Chi-square Test
6. ANOVA

Limitations of the Study

The following are the limitations of this study:

1. The Co-operative Banks are spread over widely it is not possible to cover majority of the Co-operative Banks. They are further classified into State Co-operative; Schedule Co-operative, District and Local Co-operative Banks.
2. Financial data collected for the present study is secondary in nature. In such a case, the study carries all the limitations inherent with the secondary data.
3. For the present study the data will be collected from primary sources also. In such a case, the study carries all the limitations inherent with the primary data.
4. The data is related to last seven years only.
5. The research study is mainly based on selected DCCB's in Rajasthan.
6. The study concerned only on Non-performing assets and related issues.

Chapterisation

Chapter 1: Introduction

1.1 Concept of Management of NPAs

1.2 Conceptual framework of Co-operative Banks

1.3 Background of Non-performing Assets

1.4 Instructions, Guidelines and prudential Norms of Reserve Bank of India

1.4.1 Prudential Accounting Norms

1.4.1(i)Income Recognition

1.4.1(ii)Asset Classification

1.4.1(ii)(a) Standard Asset

1.4.1(ii)(b) Sub-Standard Asset

1.4.1(ii)(c) Doubtful Asset

1.4.1(ii)(d) Loss Asset

1.4.1(ii)(e) Example of Asset Classification

1.4.1(ii)(f)Guidelines for the Classification of Assets

1.4.2 Provisioning Norms

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